NAME: HANDMADE CARPET DEVELOPMENT FOUNDATION IN SAQIET ABU SHAARA

TRAINING DATES 25 - 27 MARCH, 2016

COACHING DATES: 8-9 APRIL, 2016

I. Basic Data:

Address: Menoufeya, Makraz Ashmoun, Saqiet Abu Shaara

Legal Status: Non-governmental Foundation established under Law # 84, 2002 established under # 1193 for 2006

Areas of work: Economic Development – Social Welfare – Social Development for Carpet producers. The main purpose of the foundation is to upgrade the social and economic conditions of its members

Geographical Area of Activity: Saqiet Abu Shaara

Management Premises: Rented premises in Saqiet Abu Shaara and also having its productive facilities housed within the factory of the Chairman

Number of founding members: 7 and Board Members 7

Major Purposes (included in the approved bylaws):

- Assistance in marketing the handmade carpets produced by its members
- Availing raw materials and machines for carpet producers
- Providing cash and in-kind assistance to its members and their families in cases of emergency needs
- Providing loans with preferred terms to its members to establish, expand or develop their productive enterprises
- Improve health, social and economic conditions of carpet producers

II. Premises and Organizational Structure

- The foundation's premises is housed within a rented apartment for the sole purpose of its managerial activities. In addition to its management premises, the foundation workshops are housed within the private factory of Mr. Mossaad Omran, the Chairman of the foundation who is committed to its success with contributing workshop space and some financial assistance on an as needed basis.

- The foundation has an effective organizational structure including:
    - Foundation Secretary who is assuming the role of executive management
    - Accountant
    - Technical Officer/Coordniator

III. Brief on Training and Coaching

In general the Foundation showed high level of commitment to attend and benefit from the training, as well as the coaching sessions. With regards to the training, participants' engagement was notably effective with detailed questions and active participation in the training and a request from the foundation to receive more focused training in the future to enable them to effectively run a microfinance portfolio. Following is a list of the attendees:

Name	***Position***	***Coordinates***
Mossaad Omran	Chairman	Mob: 01006949454
Said Sadek	General Secretary	01013180006
Khaled Abdel Moneim Saber	General Assembly Member	01063448600
Fatma Sobhy Mokhtar	Technical Coordinator	01004614994
Mohamed Samy Metwally	Deputy Chairman	01006901231
Mahmoud Sobhy Abdel Moneim	Accountant	01066350098
Magdy Abdel Rahman Omran	Technical officer	01275766526

With regards to the coaching sessions, the consultant provided a detailed explanation regarding the documentary cycle and the financial books and records. These covered the current scope of the foundation, as well as in case of engaging in providing loans to micro enterprises. The consultant delivered all required forms for cash management (collection and disbursements), as well as bank checks.

The consultant also assisted the foundation in recording all financial transactions including its associated explanation notes, as well as opening accounting books and registers (including general journal, general ledger, fixed assets register, inventory register, and register for the analysis of general and administrative expenses); which are required by the Egyptian

supervisory authorities including the Ministry of Social Solidarity and Egyptian financial Supervisory Authority (EFSA). The consultant also delivered a simple excel-based accounting sheets that help in recording transactions and producing Income Statements and Balance Sheets.

Finally, the consultant helped the foundation in producing its full set of financial statements (Income Statements and Balance Sheets) as at March 31, 2016

IV. Relevant Recommendation

In general, the foundation has a promising potential to work in providing micro and small loans to its members, as well as the rugs/carpets manufacturers in Saqiet Abu Shaara for the following reasons:

- All board members have a considerable amount of experience in carpet manufacturing
- General sense of commitment and harmony among board members
- The Chairperson is the chairman of the carpet exporters in the carpet manufacturers' syndicate and has a wide network that helps he foundation facilitate its work
- The foundation has prior experience in dealing with donor agencies as it currently implements an agreement with the UNWOMEN to include women in the value chain for carpet manufacturing. The foundation received the first tranche of 453,750 L.E. under the agreement

With regards to the foundation preparedness to provide micro loans to its clients, it needs the following:

- Completing the organizational structure needed for micro loans management
- Complete training modules in loan extension and collection; including client identification, recruitment, assessment, and loan processing
- Training in loan application processing, assessing loan paper requirements, developing cash flow for the clients and assessing loan size
- Client follow-up during the loan cycles
- Loan documents' issuance and approvals (including loan requests, applications, and loan contracts)
- After receiving the appropriate training, the foundation also needs to apply for a license from the Egyptian Financial Supervisory Authority (EFSA) for a class "C" MFI license